



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV  
311 RYAN PLAZA DRIVE SUITE 400  
ARLINGTON, TEXAS 76011 8064

DEC 20 1995

Houston Lighting & Power Company  
ATTN: William T. Cottle, Group  
Vice President, Nuclear  
P.O. Box 289  
Wadsworth, Texas 77483

SUBJECT: NRC INSPECTION REPORT 50-498/95-27; 50-499/95-27 (NOTICE OF VIOLATION)

This refers to the inspection conducted by Mr. D. P. Loveless, and the inspectors identified in the enclosed report, of this office on October 8 through November 18, 1995. The inspection included a review of activities authorized for your South Texas Project, Units 1 and 2, facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, inspection of installed equipment, interviews with personnel, and observation of activities in progress. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements.

Based on the results of this inspection, certain licensed activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation (Notice). The violation is of concern because the failure to properly rig and inspect the fuel handling machine could have resulted in a more significant fuel handling event. In addition, this event involved a failure to provide specific oversight of the refueling contractor during the initiation of fuel movement and was similar to the conditions cited in a previous violation. Based on this concern, your response should include a discussion of the current status of your field monitoring and controls of contractors and the specific contractor controls in place during refueling activities.

In addition, an unresolved item was opened to further evaluate the significance and circumstances surrounding the failure to ensure that protected area lighting was properly illuminated. Of particular concern is the failure of your staff to document the problem for entry into the corrective action process. This unresolved item will remain open until the NRC security specialists can conduct a further review of this event.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this

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Q PDR

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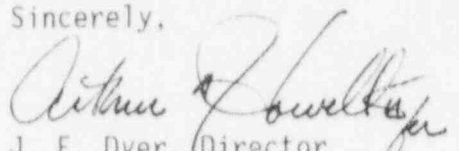
Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter its enclosures will be placed in the NRC Public Document Room.

The response directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96.511.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

  
J. E. Dyer, Director  
Division of Reactor Projects

Dockets: 50-498  
50-499  
Licenses: NPF-76  
NPF-80

Enclosures:

1. Notice of Violation
2. NRC Inspection Report  
50-498/95-27; 50-499/95-27

cc w/enclosures:

Houston Lighting & Power Company  
ATTN: Lawrence E. Martin, General Manager  
Nuclear Assurance & Licensing  
P.O. Box 289  
Wadsworth, Texas 77483

City of Austin  
Electric Utility Department  
ATTN: J. C. Lanier/M. B. Lee  
721 Barton Springs Road  
Austin, Texas 78704

City Public Service Board  
ATTN: K. J. Fiedler/M. T. Hardt  
P.O. Box 1771  
San Antonio, Texas 78296

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Morgan, Lewis & Bockius  
ATTN: Jack R. Newman, Esq.  
1800 M. Street, N.W.  
Washington, D.C. 20036-5869

Central Power & Light Company  
ATTN: G. E. Vaughn/C. A. Johnson  
P.O. Box 289  
Mail Code: N5012  
Wadsworth, Texas 77483

INPO  
Records Center  
700 Galleria Parkway  
Atlanta, Georgia 30339-5957

Mr. Joseph M. Hendrie  
50 Bellport Lane  
Bellport, New York 11713

Bureau of Radiation Control  
State of Texas  
1100 West 49th Street  
Austin, Texas 78756

Office of the Governor  
ATTN: Andy Barrett, Director  
Environmental Policy  
P.O. Box 12428  
Austin, Texas 78711

Judge, Matagorda County  
Matagorda County Courthouse  
1700 Seventh Street  
Bay City, Texas 77414

Licensing Representative  
Houston Lighting & Power Company  
Suite 610  
Three Metro Center  
Bethesda, Maryland 20814

Houston Lighting & Power Company  
ATTN: Rufus S. Scott, Associate  
General Counsel  
P.O. Box 61867  
Houston, Texas 77208

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Egan & Associates, P.C.  
ATTN: Joseph R. Egan, Esq.  
2300 N Street, N.W.  
Washington, D.C. 20037

Little Harbor Consultants, Inc  
ATTN: Mr. J. W. Beck  
44 Nichols Road  
Cohasset, MA 02025-1166

DEC 20 1995

Houston Lighting & Power  
Company

-5-

E-Mail report to D. Nelson (DJN)  
E-Mail report to NRR Event Tracking System (IPAS)

bcc to DMB (IE01)

bcc distrib. by RIV:

L. J. Callan

Branch Chief (DRP/A)

MIS System

RIV File

R. Bachmann, OGC (MS: 15-B-18)

Resident Inspector

Leah Tremper (OC/LFDCB, MS: TWFN 9E10)

DRS-PSB

Project Engineer (DRP/A)

Branch Chief (DRP/TSS)

DOCUMENT NAME: R:\\_STP\ST527RP.DPL

To receive copy of document, indicate in box: "C" = Copy without enclosures "E" = Copy with enclosures "N" = No copy

RIV:SRI	N	C:DRP/A	N	D:DRP	AS	E				
DPLoveless	for	JLPellet	for	JEDyer	for					
12/8/95		12/8/95		12/20/96						

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12/8/95	OK	12/8/95	OK	12/20/95	OK				

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